

If Diversity is Good for California's Energy Portfolio, Isn't it Also Good for Emerging Renewables?

Comments on the Draft 2006 *Investment Plan*

CEC Dockets 00-REN-1194

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The Draft Plan has Good Points ...

- ❖ Significantly increasing the Emerging Renewables funding
- ❖ Significantly increasing funding for education and market support
- ❖ Requested flexibility to respond to market changes



... And Not So Good Points

- ❖ **For Emerging Renewables, places the Governor's Million Solar Roofs program goals above the Legislature's goals per SB 1194**
- ❖ **Fails to evaluate the progress made by small wind in recent years and the linkages to CEC policy on rebate levels**



Solar is Not a Magic Bullet

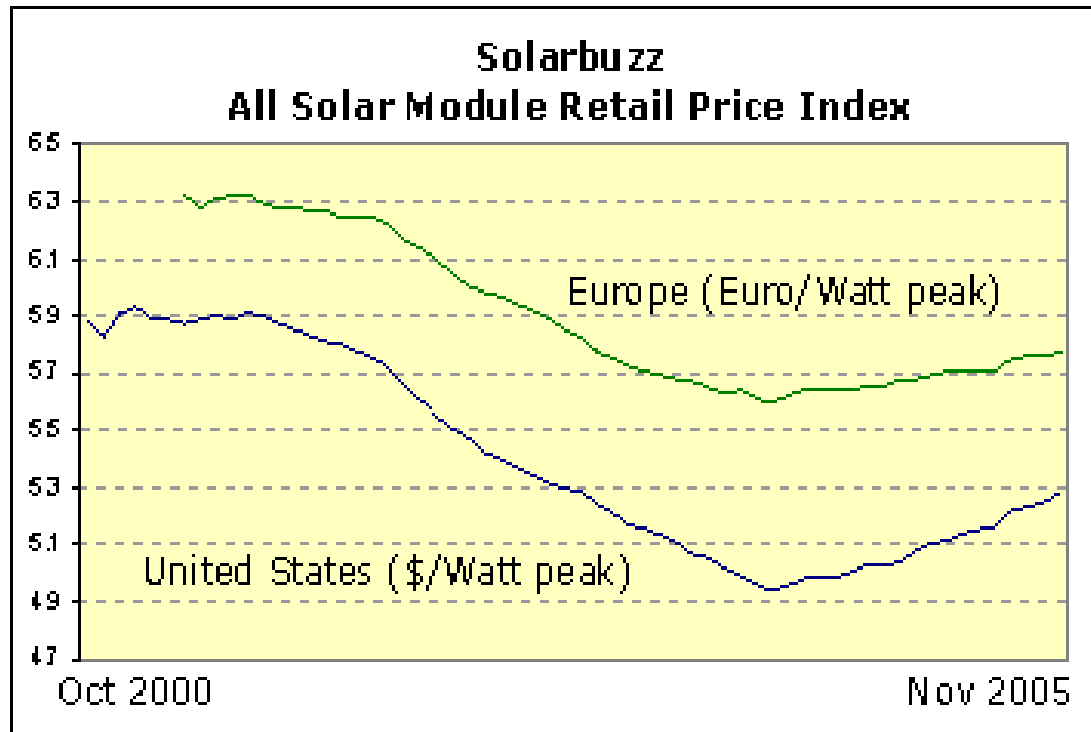
After 6 Years and \$180 M in CEC Rebates, Solar Prices are Down Only a Few Percent



Solar is Not a Magic Bullet



Module Prices are Rising



Solar is Not a Magic Bullet



It Can Be Much More Expensive

1,500 kWh/Month in San Bernardino Co., (before subsidies):

Wind: \$46,000

Solar: \$82,000



The Policy Says



Emerging Renewables Program

Goal is to accelerate cost reduction and market acceptance through high volume production of emerging renewable technologies

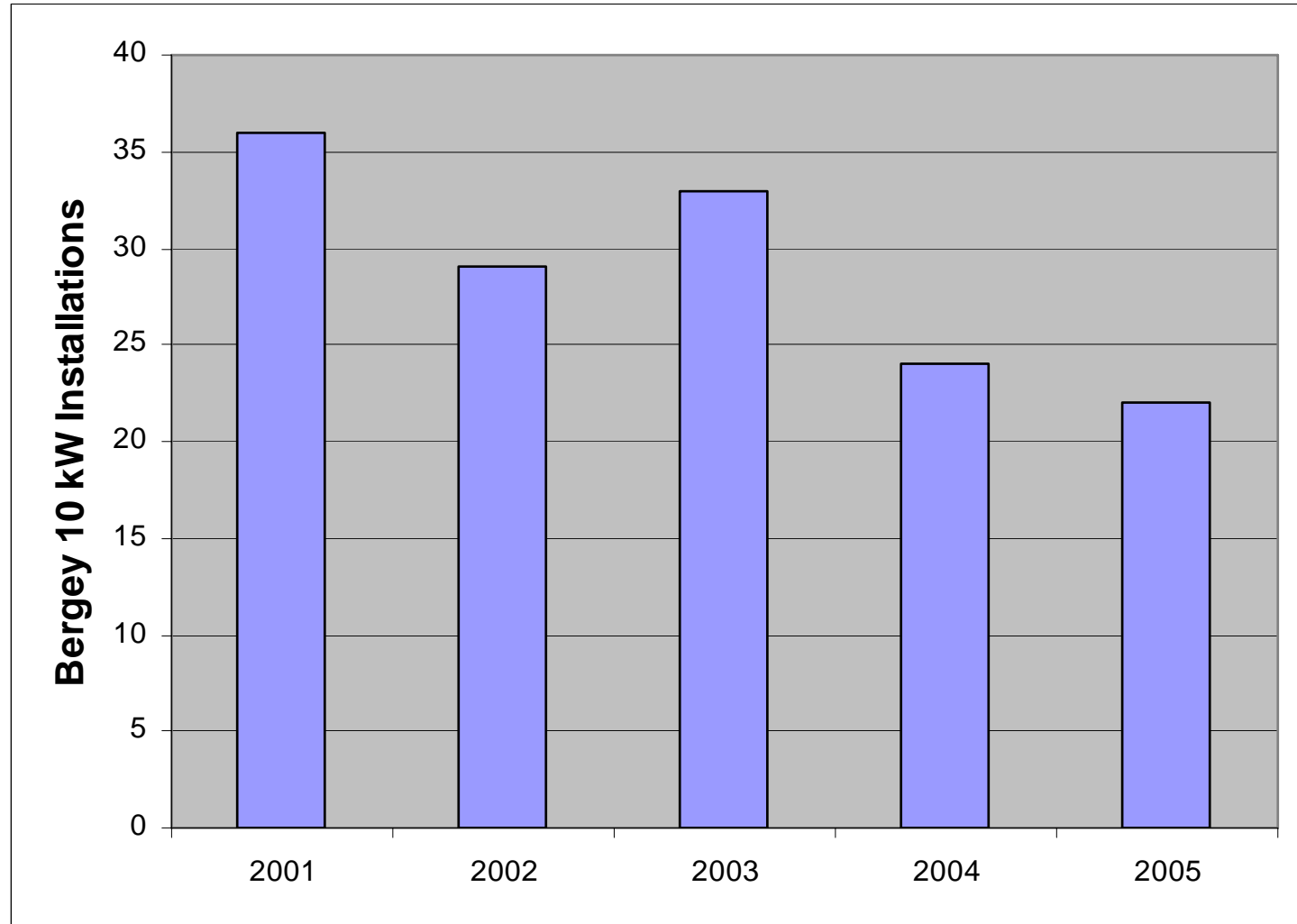
- Provides rebates for purchasing & installing distributed generation renewable energy systems
- Reduces the up-front costs for customers
- Eligible technologies: solar photovoltaic and thermal electric, small wind, fuel cells

But the CEC has Discriminated Against Small Wind

- ❖ In 2003 it cut small wind rebates more than it did for PV, even though small wind was not part of the over-subscription problem and small wind sales had not “exploded”
- ❖ Small wind rebates have further declined at double the rate of PV
- ❖ Current rebate is ~ 25% on a 10 kW system
- ❖ Performance-Based Incentive program only covers PV



Resulting in Lower Sales:



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Californians Will Choose Small Wind if the CEC Quits Sending the Wrong Signals

